



**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Attorney Docket No. **020431.0750**

In re Application of: **NOEL TENORIO**

§ **Examiner: LALITA M. HAMILTON**

Serial No. **09/750,617**

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§  
§ **Art Unit: 3624**

Filed: **20 DECEMBER 2000**

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§  
§ **Confirmation No.: 6553**

For: **SYSTEM AND METHOD FOR  
NEGOTIATING ACCORDING TO  
IMPROVED MATCHING CRITERIA**

**PRE-APPEAL BRIEF REQUEST FOR REVIEW**

**MAIL STOP: AF**

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Dear Sir:

Appellant respectfully requests review of the final rejection in the above-identified Application in accordance with the provisions set forth in "New Pre-Appeal Brief Conference Pilot Program" 1296 OG 67 (12 July 2005). No amendments are being filed with this Request. This Request is being filed concurrently with a Notice of Appeal. The review is requested for the reasons stated in the following Arguments, which begin on page 3 and end on page 7 of this paper, thereby satisfying the requirement that the Arguments be limited to five or less total pages.

**CERTIFICATE OF MAILING  
UNDER 37 C.F.R. § 1.8(a)**

Date of Deposit: 6 December 2005

I hereby certify that this paper or fee is being deposited with the United States Postal Service as First Class Mail with sufficient postage under 37 C.F.R. §1.8(a) on the date indicated above and is addressed to Mail Stop: AF, Commissioner for Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450.

By:

A Notice of Appeal is submitted herewith that includes an authorization for charging the \$500.00 Notice of Appeal fee to **Deposit Account No. 500777**. A Request for One-Month Extension of Time is also submitted herewith that includes an authorization for charging the \$120.00 One-Month Extension of Time fee to **Deposit Account No. 500777**. The undersigned hereby authorizes the Director to charge any fees that may be required, or credit any overpayments, to **Deposit Account No. 500777**.

## **ARGUMENTS**

### **I. DISPOSITION OF CLAIMS**

Claims 1-70 are currently pending in the application. Claims 1-4, 8-21, 25-37, 41-54, and 58-70 stand rejected under 35 U.S.C. § 102(e) over U.S. Patent Application Publication No. 2002/0116317 to May (“May”). Claims 5-7, 22-24, 38-40, and 55-57 stand rejected under 35 U.S.C. § 103(a) over May in view of U.S. Patent Application Publication No. 2002/0004850 to Li et al. (“Li”).

### **II. MAY FAILS TO ANTICIPATE CLAIMS 1-70**

#### **A. May Fails to Disclose All Limitations of the Claims**

Referring to claim 1 as an exemplary claim, this claim recites *inter alia*:

***a matching server operable to:***

if the distance is not acceptably small, ***automatically modify one or more values in the offer such that the distances between the modified offer and the profiles of the first and second parties are acceptably small*** simultaneously and, in response, cause the modified offer to be accepted by both the first and second parties to conclude the automatic negotiation.

(Emphasis added). Thus, claim 1 discloses a server that under specified conditions (distance not acceptably small) *automatically* modifies one or more values in an offer. However, May fails to disclose or suggest this limitation.

This argument was offered on page 23 of the Amendment filed 18 April 2005 in response to the Office Action dated 16 December 2004. In the Office Action that followed, the Examiner states, referring to May, that “[in May] if the RFP is not acceptable—distance not acceptably small, then a response to the bid changing parameters—counteroffer—may be submitted.”<sup>1</sup> During a telephone interview conducted on 1 December 2005, Applicant requested clarification with respect to this statement, pointing out that in May the

system only allows a user to change values. The Examiner confirmed that the rejection was based on the capability of the May system to allow a user to change values. Given that the Examiner has conceded that May only allows for a user to change values, whereas claim 1 requires that the server *automatically* changes values, Applicant is unclear as to why the present rejection is being maintained. Since May fails to disclose all of the limitations of claim 1, May cannot anticipate claim 1. Therefore, it is respectfully requested that this rejection be reconsidered and withdrawn.

With respect to independent claims 16, 17, 18, 33, 49, 50, 66, 67, 68, 69, 70, each of these claims includes limitations similar to those discussed above in connection with claim 1. Therefore, claims 16, 17, 18, 33, 49, 50, 66, 67, 68, 69, 70 are considered patentably distinguishable over May for at least the reasons discussed above in connection with claim 1.

## **B. Office Action Applies Incorrect Standard for Anticipation Rejection**

The final Office Action (dated 12 August 2005) states that "the Examiner is interpreting May as reading onto the invention substantially as claimed."<sup>2</sup> However, it is respectfully pointed out that "substantially as claimed" is not the correct standard for establishing a *prima facie* case of anticipation. A claim is anticipated by a prior art reference only if the reference discloses or inherently describes every detail of the claim. According to the MPEP, "[a] claim is anticipated only if *each and every element* as set forth in the claim is found, either *expressly or inherently* described, in a single prior art reference."<sup>3</sup> Also according to the MPEP, "[T]he identical invention must be shown in as *complete detail* as is contained in the ... claim."<sup>4</sup>

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<sup>1</sup> Office Action, p. 4, II. 6-7 (12 August 2005).

<sup>2</sup> *Id.* at II. 8-9.

<sup>3</sup> MPEP § 2131, citing *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987), emphasis added.

<sup>4</sup> *Id.*, citing *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989), emphasis added.

### **C. Disqualification of May as Prior Art**

The present application was filed 20 December 2000. May was filed on 11 June 2001. Therefore, because the filing date of May is after the filing date of the present application, May is not properly citable as prior art under 35 U.S.C. § 102(e). It is noted, however, that May claims priority to two provisional applications, filed 14 June 2000 and 9 June 2000, respectively. For this reason, it was requested that a showing be made under MPEP 2136.03 be made that “the provisional application(s) properly supports the subject matter relied upon to make the rejection in compliance with 35 U.S.C. 112, first paragraph.”

However, the Examiner declined to provide such a showing, instead making an allegation that Applicant “acquiesced.”<sup>5</sup> During a telephone conversation on 17 November 2005, and again during the telephone interview on 1 December 2005, Applicant requested that the Examiner explain the basis of the allegation. However, both times the Examiner was unable to cite a rule or other authority to support the allegation. Thus, Applicant respectfully submits that this allegation is baseless and contrary to fact. Applicant maintains that, in the event that May continues to be relied upon for rejecting claims of the present application, a showing must be made under MPEP 2136.03 that “the provisional application(s) properly supports the subject matter relied upon to make the rejection in compliance with 35 U.S.C. 112, first paragraph.”

### **III. MAY IN VIEW OF LI FAILS TO RENDER THE CLAIMS OBVIOUS**

#### **A. Dependent Claims Allowable Because Independent Claims Are Allowable**

Claims 5-7 depend from independent claim 1, claims 22-24 depend from independent claim 18, claims 38-40 depend from independent claim 33, and claims 55-57 depend from independent claim 50. Since each of claims 1, 18, 33, and 50 is considered to be in condition for allowance as discussed above, claims 5-7, 22-24, 38-40, and 55-57 are considered to be in condition for allowance by virtue of the fact that they depend from an allowable claim. In addition, claims 5-7, 22-24, 38-40, and 55-57 set forth additional

subject matter that is considered to be patentably distinguishable over the prior art as discussed below.

## **B. May in View of Li Fails to Disclose Limitations of Dependent Claims**

For example, the proposed combination of May and Li fails to disclose or suggest the specific way in which distance is calculated according to claim 5, where “distance” is a distance between values in an offer from a first party and values in a profile of a second party. The Examiner concedes that May is silent in this regard, instead relying on alleged teaching of Li. With respect to Li, the Office Action indicates that Li discloses formulas to calculate constraints, which the Examiner interprets as being used to calculate a distance between values in an offer and in a profile. However, it is respectfully submitted that it is unclear how the Examiner arrived at this interpretation. In addition, it is respectfully pointed out that the standards set forth by the MPEP require that all of the limitations of the claim must be taught or suggested by the prior art in order to establish a *prima facie* case of obviousness:

To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. *In re Royka*, 490 F.2d 981, 180 USPQ 580 (CCPA 1974). “All words in a claim must be considered in judging the patentability of that claim against the prior art.” *In re Wilson*, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).<sup>6</sup>

Thus, the mere fact that Li teaches the general use of formulas is insufficient for establishing a *prima facie* case of obviousness since Li (and May) fails to teach or suggest all of the limitations of claim 5.

Thus, Applicant respectfully submits that the Office Action has failed to properly establish a *prima facie* case of obviousness. A recent Federal Circuit case makes it crystal clear that, in an obviousness situation, the prior art must disclose each and every element of the claimed invention, and that any motivation to combine or modify the prior art must be based upon a suggestion in the prior art. *In re Lee*, 61 U.S.P.Q.2d 1430 (Fed.

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<sup>5</sup> Advisory Action, p. 2 (15 November 2005).

<sup>6</sup> MPEP § 2143.03.

Cir. 2002). Conclusory statements regarding common knowledge and common sense are insufficient to support a finding of obviousness. *Id.* at 1434-35.

Since claims 6 and 7 depend from claim 5, the discussion above in connection with claim 5 applies equally to claims 6 and 7. With respect to claims 22-24, 38-40, and 55-57, each of these claims includes limitations similar to those discussed above in connection with claim 5. Therefore, claims 22-24, 38-40, and 55-57 are considered patentably distinguishable over the proposed combination of May and Li for at least the reasons discussed above in connection with claim 5.

### **C. No Proper Motivation for Proposed Combination of References**

Finally, Applicants maintain that the Examiner has failed to provide proper motivation for combining the teachings of Li with those of May. The final Office Action merely states that both Li and May disclose and suggest auction management systems and May is silent as to formulas that may be used. This seems to imply that the motivation stems from an assumption that the formulas in Li can be used in the system of May. However, even assuming *arguendo* that May and Li do disclose such systems, this line of reasoning is insufficient for establishing motivation. The MPEP clearly states that, even if references can be combined, there must still be a showing that the prior art suggests the desirability of the combination:

The mere fact that references can be combined or modified does not render the resultant combination obvious unless the prior art also suggests the desirability of the combination. *In re Mills*, 916 F.2d 680, 16 USPQ2d 1430 (Fed. Cir. 1990).<sup>7</sup>

In the instant case, the final Office Action fails to establish motivation since the final Office Action fails to provide any showing that the prior art suggests the desirability of the proposed combination.

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<sup>7</sup> *Id.* at § 2143.01, emphasis in original.

**CONCLUSION:**

In view of the foregoing remarks, this application is considered to be in condition for allowance, and early reconsideration and a Notice of Allowance are earnestly solicited.

Respectfully submitted,

6 DEC 2005  
Date

  
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